

Corporate Financial Monitoring

September 2012 | Quarter 2

Report of Financial Services Manager
Corporate PRT meeting | 07 November 2012

HEADLINE INFORMATION			
REVENUE	Current (Underspend) / + Overspend £	Projected (Underspend) / + Overspend £	Future Years Projection (Underspend) / + Overspend £
General Fund	(998)	(939)	+297
Housing Revenue Account (HRA)	+135	+119	(93)

CORPORATE FINANCIAL MONITORING

September 2012 | Quarter 2

1. INTRODUCTION

This monitoring report of expenditure and income for 2012/13 sets out an indicative corporate picture of the Council's financial performance relating to the period ending 30 September 2012.

The report summarises the variances reported through Services quarterly PRT meetings, and also identifies any omissions, updates and/or actions required. In addition there are specific sections for salary monitoring, capital expenditure and financing, Housing Revenue Account (HRA), revenue collection performance and Insurance and Risk Management.

2. GENERAL FUND REVENUE MONITORING

2.1 General Fund Summary Position

The current overall General Fund summary position shows that at the end of September there is a net underspend of **£998K** against the budget. This is currently forecast to reduce to **£939K** by the end of the year.

VARIANCES	Current £000's	Current Year Projection £000's	Future Years Projection £000's
Major Variances (see section 2.2)	(707)	(489)	(63)
Salaries (see sections 2.3 & 2.4)	(291)	(450)	--
Additional capital financing costs (see section 3.1)	--	--	+360
Sub Total	(998)	(939)	+297
ESTIMATED OUTTURN / IMPACT ON FUTURE YEARS	--	--	+297

One of the key financial indicators is to keep any under or overspends within 2% of the overall net controllable revenue budget, and the following table shows that at the end of September this has been achieved. That said, actions could be taken to improve the Council's position still further.

	£000's
Net Controllable Budget	24,278
2% Target	+/() 486
Provisional Controllable Net Underspend	(374)
Percentage of Net Controllable Budget	1.5%

As set out in the Medium Term Financial Strategy, Cabinet has no authority to increase net spending above the net revenue budget. Whilst the overall position may not be projected to breach this position, this does not remove the need to consider specifically whether any actions can or should be taken to address particular areas of overspending outlined in this report.

2.2 Major Budget Variances

Appendix A details the major true variances identified to date that have been included within individual Services' PRT reports. The variances reported are either +/- £5K in value and cover premises, transport, supplies and services and general income. A summary is provided in the following table.

SUMMARY BY SERVICE	Current £000's	Current Year Projection £000's	Future Years Projection £000's
REPORTED VARIANCES :	() Favourable / + Adverse		
Community Engagement	(19)	(26)	(52)
Environmental Services	(111)	(30)	+172
Governance	+16	+9	0
Health & Housing	+4	(7)	(18)
Regeneration & Planning	(58)	(38)	+109
Resources	(539)	(397)	(274)
	(707)	(489)	(63)
Variances not reported to PRT meetings : None	--	--	--
TOTAL VARIANCES	(707)	(489)	(63)

The following table provides an analysis of these variances and Appendix A shows how each variance has been initially categorised.

FACTORS INFLUENCING VARIANCES	Variances to Date £000's	Current Year Projection £000's	Future Years Projection £000's
Unforeseeable windfalls or costs	(397)	(412)	(345)
Demand led variances	(222)	(54)	+158
Efficiency savings	(58)	(40)	(10)
Other service driven variances (incl delays)	(3)	(10)	(42)
Budget setting issues / errors	(47)	+27	+176
Other variances	+20	0	0
TOTAL	(707)	(489)	(63)

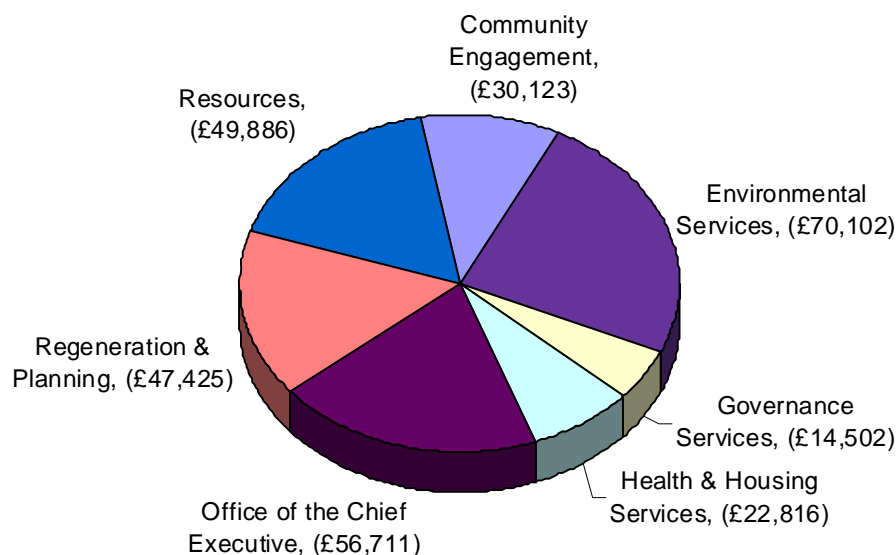
In terms of future years, the above analysis does not include any projection as yet in respect of on-going salary savings as these will be picked up as part of the current budget review process.

2.3 General Fund Salary Monitoring

Salary monitoring has been reported separately as there are a number of small variances that fall below the threshold for major items, however their aggregate effect is fairly significant.

To date total savings of £376K (Qtr2 2011/12 - £510K) have been achieved, which is some **£291K** (Qtr1 2011/12 - £411K) above the £85K profiled turnover target. Whilst the level of savings is relatively high for the second quarter of the year, it is still less than the previous year. An initial projection shows that salary savings could reach £450K by the end of the year, however, a more detailed review is currently being undertaken as part of the budget process as mentioned above.

The following graph shows the savings on a Service by Service basis.



Environmental Services have the largest savings which are mainly in Street Cleansing (£49K) and Three Stream Waste Collection (£17K).

2.4 Budgeted Savings Targets

There are a number of approved savings included in the 2012/13 budget which were subject to implementation.

- CCTV revised hours - £29,100
- Grounds Maintenance – £38,400
- Refuse Collection - £21,700
- Accountancy Services - £25,000
- Revenues and Benefits Shared Service - £33,000
- HR/Payroll Software Replacement - £20,000
- Property Services shared management arrangements - £76,500

The CCTV savings will now only be £4K due to a delay in negotiations and having to finance a number of redundancy payments. The grounds maintenance and refuse collection savings have already been achieved, whilst the Accountancy and Revenues and Benefits savings have also been delayed to a degree but will still be achieved.

The HR/Payroll replacement has been achieved despite timescales for implementation being put back. There will also be a change in the proposed financing between capital and revenue, but additional savings will be made in future years.

Finally, the Property Services shared management arrangements will again be less this year due to the implementation being slightly later than originally planned.

3 GENERAL FUND CAPITAL PROGRAMME

3.1 Capital Expenditure & Financing

At the end of September there was spend and commitments of £1.353M against the programme of £4.932M, which has been updated for slippage from 2011/12 and the following additions:

- Bold St acquisitions and demolition (£208K Cabinet May)
- Refurbishment of 5 Cheapside (£49K) to secure a new tenant has been approved under delegated authority by the Head of Resources. This will be funded from the municipal building reserve.
- Lancaster Bus Station lighting (£35K) with costs to be met by the bus operator.

The progression of schemes is still dependent upon sufficient resources being available, in order to avoid any difficulties arising in financing the capital programme. Some schemes are funded entirely from external sources and as such, they can progress as normal. Others are reliant upon funding from the Council's own resources:-

- from the sale of property (capital receipts), or
- from reserves, or
- directly from the revenue budget.

An analysis of capital schemes is attached at **Annex A** which indicates the status of each scheme. The main spend, other than commitments from 2011/12, relates to corporate property renewal works at Lancaster and Morecambe Town Halls for boiler and air conditioning replacement and Council Chamber work. In addition, Lancaster Square Routes may at some stage require £45K to fit in with County Highways plans for Horse Shoe Corner. The funding required for Morecambe TH12 is covered by direct revenue financing and not capital receipts.

The 2012/13 capital programme is estimated to use receipts of £8.228M to finance schemes and reduce unsupported borrowing. To date only two deposits have been received totaling £12K. A full review of the capital receipts position is currently underway. However, the main receipt relating to land at South Lancaster is still subject to the outcome of a judicial review application regarding the planning permission of the site. It is now assumed that this will be received in 2013/14, therefore additional capital financing costs of approximately £360K will be incurred next year.

The overall capital programme is currently undergoing a full review as part of the budget process and a revised version will be presented to Cabinet in December for consideration.

4 HOUSING REVENUE ACCOUNT (HRA) MONITORING

4.1 HRA Revenue Position

At the end of September the position for the Housing Revenue Account shows an overspend of **£135K** against the profiled budget, which is currently projected to reduce to **£119K** by the end of the year. A list of the variances is shown below.

VARIANCES	Variances to Date £000's	Current Year Projection £000's	Future Years Projection £000's
Housing Subsidy - Payments to Central Government	+148	+148	+0
Insurances - Premises Related Insurance	+47	+46	+46
Rent Income (Dwellings) - Rent - Houses	+14	+28	?
Caretaker Services - Electricity	(14)	(8)	(8)
Council Housing Supervision & Management - Salaries	(18)	(8)	+0
Council Housing Supervision & Management - Rent	+0	(7)	(7)
Council Housing Supervision & Management - Service Charges	(4)	(5)	(7)
Rent Income (Commercial) - Rents - Garages	(4)	(7)	(7)
Borrowing costs	(34)	(68)	(110)
ESTIMATED OUTTURN	+135	+119	(93)

The main variance relates to a payment made to central government in respect of the final 2011/12 subsidy return. This resulted from a technical accounting changes in the final consolidated rate of interest applied due to a higher capital financing requirement. In addition, there has been an increase in the overall insurance premium recharged to the HRA. These costs are partly offset by savings on the

borrowing costs relating to the £31M loan taken out at the end of last year to come out of the subsidy system.

As mentioned in section 2.2, Services are now required to identify the key factors influencing variances as part of the PRT financial monitoring process. The following table provides an analysis of these variance.

FACTORS INFLUENCING VARIANCES	Variances to Date £000's	Current Year Projection £000's	Future Years Projection £000's
Unforeseeable windfalls or costs	(34)	(68)	(110)
Demand led variances	(4)	(7)	(7)
Efficiency savings	(14)	(8)	(8)
Other service driven variances (incl delays)	(18)	(8)	+0
Budget setting issues / errors	+144	+136	(14)
Other variances	+61	+74	+46
TOTAL	+135	+119	(93)

4.2 Council Housing Rent Collection

At the end of September rental income is lower than estimated due to void re-let times and the overall number of voids increasing. Originally, the number of voids was estimated at 1.52%, however the actual level at the end September is 1.77%. In monetary terms this would lead to an estimated loss of rental income of £28K. This is actually an improvement from Qtr 1 when voids were running at 1.99% with an estimate loss of £63K.

Total Estimate for Year	£13,476,400
Profiled Budget	£6,738,030
Actual to Date	£6,724,450
Difference	+£13,580

4.3 Council Housing Capital Programme

This section analyses actual spend against the Council Housing Capital Programme at the end of September. To date spend and commitments total £1.217M against a budget of £4.076M (including 2011/12 slippage) leaving a balance of £2.859M.

	Current Approved Programme £000's	Spend & Commitments to Date £000's	Budget Remaining £000's
Bathroom Kitchen Refurbishment	1,088	260	828
External Refurbishment	696	19	677
Re-roofing / Window Renewals	429	395	34
Environmental / Crime Prevention Works	360	216	144
Energy Efficiency Works	460	159	301
Rewiring	333	25	308
Adaptations	250	106	144
Fire Precaution Works	300	15	285
Invest to Save - PV Solar Panels	130	0	130
Total Mobile	30	22	8
TOTAL	4,076	1,217	2,859

5 REVENUE COLLECTION PERFORMANCE

5.1 Council Tax & Business Rates

In year collection performance for both Council Tax and NNDR compares favourably with the same period last year, and both are on target to achieve the collection rate set for the year.

Percentage Collected	2011/12 %	2012/13 %	2012/13 Target %	2012/13 Actual %	Status
	All Years		In Year		
Council Tax	53.68	53.36	97.2	58.0	On Target
Business Rates	60.24	59.48	98.7	59.6	On Target

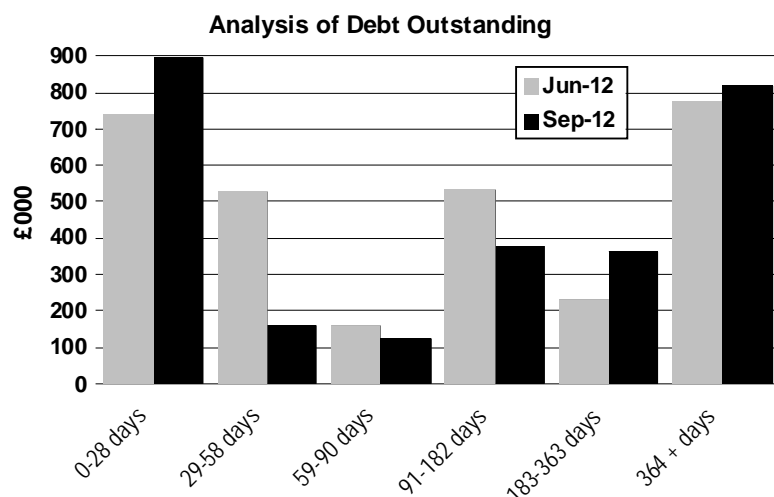
5.2 Collection Fund Monitoring

This section sets out the latest position on the Collection Fund, in particular in relation to Council Tax. Whilst the above section looks at collection performance, this section shows the current surplus or deficit on the Fund. It basically compares the amounts collectable with the Precepts levied by the relevant authorities after allowing for refunds, bad debt provisions, income collected and Council Tax benefits. The monitoring shows that as at the end of September the Fund was in surplus by £119K, but it should be noted that the surplus can fluctuate significantly month by month. For information, the equivalent value for September 2011 was a surplus of £381K reducing to £146K at the year end.

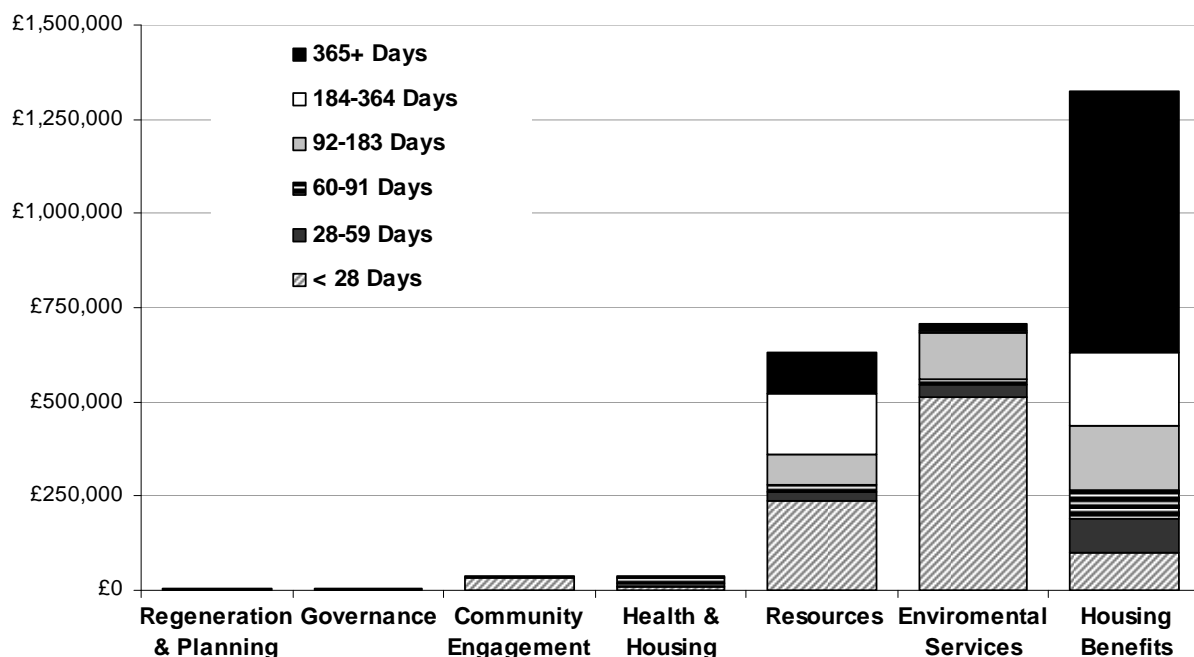
Any surplus or deficit is shared between the relevant precepting bodies and the City Council's element equates to 13% and would therefore be £15K. The position will formally be assessed in January when the Council Tax base for 2013/14 is set. At that point in time any surplus or deficit will be notified to the relevant precepting bodies for inclusion in their 2013/14 budget.

5.3 Sundry Debts

This section sets out the latest position on the level of outstanding sundry debts (excluding Council Housing). At the end of September the total debt outstanding was just under £2.748M, which is £229K less than the previous quarter.



	<i>June 12</i>	<i>Sept 12</i>
	<i>£000's</i>	<i>£000's</i>
0-28 days	743	897
29-58 days	531	163
59-90 days	162	124
91-182 days	533	380
183-363 days	233	363
364+ days	775	821
	2,977	2,748
Previous Year	2,002	2,603



Attached at **Annex B** is an analysis of the actions being taken by Services on all debt over 90 days old. In addition, there is a more detailed breakdown in respect of the £1.055M housing benefit debt.

6 PROVISIONS AND RESERVES

This section provides and update on key provisions and reserves.

6.1 Insurance Provision

The current balance on the insurance provision is £487K, after making net payments of £80K in settlement of claims made.

At present, the Council's insurers estimate that the value of claims outstanding is £416K, which relates to a total of 190 claims made over a 5 year period. This estimate assumes that all these claims will be settled at the maximum reserve limit; however, recent statistics show that, on average, only 59% of the total reserve will be paid. The estimated cost of claims outstanding could therefore reasonably be valued at around £245K. In addition, at the end of the last financial year the council was notified that it was liable for old claims relating to the MMI scheme of arrangement for which an estimated liability of £155K was provided for in the provision. Therefore, the total value of estimated liabilities is £400K which is still £87K less than the current provision. The provision will formally be assessed as part of the current budget process.

It is highly unlikely that all these outstanding claims will fall due for payment in the same financial year, but the uncertain nature of insurance claims payments means that accurate predictions are difficult. Nonetheless, the overriding principle is that the Council must make reasonable provision for all its known liabilities.

6.2 Bad Debt Provision

The Bad Debt provision is formally reviewed half yearly at revised estimate time and closedown. In addition, quarterly updates are now provided as part of the Corporate Monitoring process.

The level of the provision has been assessed based on assumed levels of write-off as a proportion of debt outstanding. Based on the figures shown in section 5.3 the level of provision would be as follows:

Period	Debt £000's	% Cover Required	Value £000's
Up to 1 Month	897	1%	9
1 Month to 3 Months	287	5%	14
3 Months to 365 Days	743	10%	74
Over 365 Days	821	50%	411
TOTAL	2,748		508

The current balance on the General Fund Bad Debt provision is £567K which is £59K above the requirement indicated, but that is after allowing for this year's contribution of £100K. The position is being reviewed as part of the budget process and any adjustments required will be reported accordingly and built into the revised budget projections. Given that the majority of sundry debts relate to housing benefit overpayments, the planned welfare reforms could well have major bearing in future.

7 RISK MANAGEMENT

As part of the business planning process, key business risks need to be considered by Service Heads and any significant ongoing or emerging risks should be reported on an exceptions basis through quarterly Performance Review Team reports, together with any actions needed to manage the situation.

A fuller assessment of key financial and other risks will be reported to Cabinet in December as part of the budget update report.

SUMMARY OF GENERAL FUND MAJOR VARIANCES (Qtr 2 2012/13)

Appendix B

FACTORS INFLUENCING VARIANCES	Variance to Date £	Current Year Projection £	Future Years Projection £
1. Unforeseeable windfalls or costs	(397,200)	(412,100)	(344,800)
2. Demand led variances	(222,300)	(53,900)	+158,100
3. Efficiency savings	(57,800)	(40,100)	(10,200)
4. Other service driven variances (incl delays)	(3,000)	(10,600)	(42,300)
5. Budget setting issues/errors	(46,800)	+27,300	+175,800
6. Other variances	+20,000	+0	+0
TOTAL VARIANCES	(707,100)	(489,400)	(63,400)

Service	Variance Type	Service Area	Variance to Date	Current Year Projection	Future Years Projection	Reason for Variance & Action being taken
			£	£	£	
			+ = Adverse () = Favourable			
VARIANCES REPORTED THROUGH PRT PROCESS (SERVICE HEAD COMMENTS)						
Community Engagement	2	Promenade Management - Income	(15,200)	(15,200)	(15,000)	Income relating to funfair not originally budgeted for.
	2	Carnforth Pool - Income	+0	(10,000)	?	Increased income due to increased take up of swimming lessons
	2	Salt Ayre Studio - Expenditure and Income	+6,900	+7,500	+0	Combination of increased instructor costs and reduced income as classes are included in Reflexions memberships.
	2	Salt Ayre Management & Admin - Gas and Electricity	(10,700)	(15,600)	(37,000)	The actual saving in this area is expected to be £37K for the year but it is proposed that £21K be vired to fund the cost of pool covers at the 3 community pools.
	2	Salt Ayre Reflexions - income	(3,200)	(5,200)	?	Additional memberships sold (less associated subscription charges)
	2	Salt Ayre Outdoor synthetic pitches - income	+3,500	+6,600	?	Increased competition from locals venues has resulted in a drop in income.
	5	Corporate & Partnership Initiatives - Hate Crimes SLA	+0	+5,900	+0	This additional cost will be offset by some salary savings in the main Partnerships Team.
Environmental Services	1	Vehicles - Fuel	(15,000)	(24,500)	?	Government delayed anticipated 3% fuel duty rise from August to January
	2	Vehicles - R&M	(50,000)	(50,000)	(25,000)	Newer fleet resulting in fewer breakdowns and greater use of warranties on repairs
	2	Trade Refuse	(10,000)	(20,000)	+0	Lancs County Council didn't implement new charging mechanism as expected resulting in savings being passed over to clients
	5	Highways	(65,800)	+0	+163,000	Delays in starting the new contract has resulted in work being recharged using previous SoR operated by Lancs County Council. New arrangements to commence from August (as already agreed by Council). Current underspend will offset proposed cost of function. Projected variance assumes partial use of reserve
	2	Off Street Car Parks - Fees	(2,500)	?	?	Budget profile difficult to predict. Income above target in April, May, and August but below in June, July and September.
	2	Off Street Car Parks - Permits	+5,500	+5,500	+5,000	Further reductions in sales of 8% on public permits and 10% on staff, partners and members permits.
	5	Off Street Car Parks - PCN Levy	+3,300	+9,300	+0	Late invoices for 2011/12 Q3 from Lancashire Parking Services not received until June 2012.
	5	Off Street Car Parks - NNDR	+19,300	+19,300	+19,900	Reduction in transitional relief not accounted for within original budget
	5	Bus Route Support	+4,400	+8,800	+8,900	Budget removed in error within 2012/13 budget process
	4	CCTV	+0	+21,900	+0	Agreed contribution in respect of redundancy costs of CCTV operating staff. Due to reduction on operating hours as agreed through 2011/12 budget process.

Service	Variance Type	Service Area	Variance to Date	Current Year Projection	Future Years Projection	Reason for Variance & Action being taken
			£	£	£	
			+ = Adverse () = Favourable			
VARIANCES REPORTED THROUGH PRT PROCESS (SERVICE HEAD COMMENTS)						
Governance	2	Legal & Court Costs	+15,800	+8,900	+0	Mainly due to costs relating to Lancaster Market. Budget to be increased as part of Revised budget exercise.
Health & Housing	1	Home Improvements - Administration Charges	(2,000)	(12,500)	(13,000)	Based on the increase in fees and the additional amount transferred from previous year. It is estimated that the income for 12/13 will amount to £80,000.
	4	Environmental Protection - Services - Radiation Analysts	(3,000)	(5,300)	(5,300)	Budget not required - Due to Radmil (Government Organisation) disbanded.
	2	Pest Control - Income	+9,100	+11,000	+0	Lower demand for Wasp and Rodent treatments.
Regeneration & Policy	2	Development Control - Planning Application Fee Income	+9,700	+60,000	?	Continued economic downturn and continuing affects of government decision to reduce renewal of major application fees to £500 each. However, government announced 15% increase on all planning application fees from. Date to be confirmed.
	2	Building Regulations - Application Fee Income	+42,400	+85,000	?	Uncontrollable income - Reduced number of applications due to increase in local competition of service providers and general downturn of development.
	2	Morecambe BID Feasibility Study	(40,000)	(40,000)	+40,000	Request for budget to be slipped into 2013/14 due to delay in ideas coming forwards from Morecambe COC. It is also hoped to tie this in with changes from the Mary Portas Funding
	2	Heysham Gateway Feasibility Study	(20,000)	(20,000)	+20,000	Request for budget to be slipped into 2013/14 - Scheme is dependant upon the involvement of Port of Heysham who are waiting for news regarding the M6 Link Road.
	2	Morecambe Area Action Plan	(39,600)	(76,100)	+76,100	Request for budget of £76.1k to be slipped into 2013/14 for Consultancy, securing a developer and further feasibility studies
	1	Middleton Nature Reserve & Pumping Station Rents - Wayleaves & Titles	(300)	(11,000)	(11,000)	New agreement with to allow cabling across the site.
	3	Regeneration & Policy M & A Subscriptions	(2,400)	(10,000)	(10,200)	LEP subscriptions no longer subscribed to
	2	Conservation & Environment - General - Grants - Lancaster Conservation Area	+0	(10,000)	+10,000	Spend to be slipped into future years
	5	Winning Back West End Property Account - Rents - Commercial Properties	(8,000)	(16,000)	(16,000)	Additional rental income. Budget to be addressed as part of revised budget process

Service	Variance Type	Service Area	Variance to Date	Current Year Projection	Future Years Projection	Reason for Variance & Action being taken
			£	£	£	
			+ = Adverse () = Favourable			
VARIANCES REPORTED THROUGH PRT PROCESS (SERVICE HEAD COMMENTS)						
Resources	6	Kellet Road Industrial Estate, Carnforth - General (CR) Miscellaneous	+20,000	?	?	Outstanding claim for dilapidations. Matter still with Legal. Ongoing for three years.
	2	Property Services Repairs & Maintenance	(142,000)	(20,800)	+0	Net savings predicted for year at moment, but subject to outcome of Condition Surveys may be further savings, e.g. Platform temporary heating
	2	City Centre Management	+0	+6,500	+0	Reduced number of concessions
	3	Property Services Utilities - Gas/Electricity	(55,400)	(30,100)	?	Future years savings currently being quantified as part of budget process.
	1	Revenues - Benefits Overpayment Recoveries	(197,900)	?	?	Currently up on profile although it is difficult to predict if this will continue throughout the year look at as part of Revised budget projections.
	4	Audit Charges	+0	(27,200)	(37,000)	KPMG fees reduced (as notified 16/4) giving expected saving of £27,000.
	1	Borrowing Costs	(182,000)	(364,100)	(320,800)	HRA self financing loan taken out at a lower interest rate than originally projected. This represents the element relating to the General Fund as part of the assumed single pool arrangement.
	2	Interest & Investment income	+18,000	+38,000	+84,000	Interest income down due to current strategy constraints and lower cash balances than projected. Projected to be £38K under for the year subject to South Lancaster capital receipt/Lancaster Market and a review of counterparties.
TOTAL VARIANCES			(707,100)	(489,400)	(63,400)	
Overall Salary Savings			(291,000)	(450,000)		
OVERALL VARIANCES			(998,100)	(939,400)	(63,400)	

General Fund 2012/13 Net Capital Programme

Jointly financed schemes (LCC Contribution):		£000	Comments:
Morecambe TH12: A View for Eric		25	The Council contribution is match funding for the external grant but not needed until late Sept.
Warm Homes Scheme		50	Externally funded scheme
Strategic Monitoring (River & Sea Defences)		8	Spend only relates to capital salaries.
Internally financed schemes:			
Slippage from 2011/12	Clay Pitts Recreation / Play Facilities	92	Funded from S106 monies.
	Allotment Improvements	9	Commitment of £9K raised.
	Mainway Recycling Bins	4	Direct revenue financing.
	Salt Ayre Sports Centre - Hydraulic Floor	45	Funded from reserves.
	Salt Ayre Works Programme	74	Reception refurbishment (£38K) has already started. Remainder on hold.
	Toucan Crossing - King Street	13	Funded from S106 monies.
	Amenity Improvements	33	On hold.
	Luneside East	128	Scheme still progressing.
	Williamson Park Steps	120	Urgent works required due to health & safety issues.
	Public Realm Works	13	On hold.
	IT Application Software Renewal	9	No urgent spend required.
	IT Desktop Equipment	12	No urgent spend required.
	Greyhound Bridge Rd Affordable Housing	250	Funded from S106 monies.
	Lancaster Square Routes	46	Commitment re Market Square lighting.
	West End Temporary Car Park	19	Funded from reserves.
	Corporate Property Renewal	531	Various works committed at LTH and MTH.
	Invest to Save - Solar Panels	20	Funded from reserves.
	5 Cheapside Refurbishment	49	Urgent works to secure a new tenant - being funded from reserves.
	Bold Street Renovation	208	Recycling of Bold St receipts - approved by Cabinet on 29 May 2012.
	Toilet Works	90	No urgent spend required.
	Allotment Extension : Scotforth	40	No urgent spend required.
	Allotment Improvements	47	Still subject to a spending plan being provided.
	The Platform Improvements	110	No urgent spend required, no business case submitted as yet.
	Williamson Park Renewal & Enhancement	75	No clear spending plans for this, therefore no urgent spend required.
	IT Application Software Renewal	50	No urgent spend required.
	IT Desktop Equipment	135	£31K used for licence renewals at the end of May - other essential needs relate to storage.
	Slynedale Culvert Project	3	Spend only relates to capital salaries.
	Lancaster Square Routes	300	Requested that £45K be available to fit with County plans at Horse Shoe Corner.
	Morecambe Area Action Plan	200	No urgent works required, but may require review in 6 months.
	Port of Heysham Sites 1 & 4	328	No urgent spend required.
	Car Park Improvements	80	No urgent spend required.
	Corporate Property Renewal	1,716	LTH boiler replacement & air conditioning works being undertaken.
		4,932	
Financing:			
Capital Receipts		(8,228)	
DRF Funding		(669)	
Provisions & Reserves Funding		(652)	
General Capital Grant		(150)	
Reduction in Underlying Need to Borrow		4,767	
		(4,932)	

SUNDRY DEBT OVER 90 DAYS OLD - ACTION BEING TAKEN BY SERVICES (SEPTEMBER 2012)

Service	Total Outstanding Debt (over 90 days old)	Debt to be Written Off	Refer(red) to Debt Collection Agencies	Refer(red) for Legal recovery	Debt still being pursued	Payment Received / Instalment Agreed	Other Action / Reasons	TOTAL
	£	£	£	£	£	£	£	£
Community Engagement	964				964			964
Environmental Services	128,251	1,897	1,275	10,345	4,522	110,213		128,251
Governance	5,086				5,086			5,086
Health & Strategic Housing	4,222		1,576		1,610	444	592	4,222
Regeneration and Policy	1,119				999	120		120
Resources : Property	368,397		15,440	69,964	95,654	59,609	127,730	127,730
Resources : Housing Benefits	1,055,998	5,062		41,131		841,561	168,245	1,055,998
Total Outstanding	1,564,038	6,958	18,291	121,440	108,835	1,011,947	296,567	1,564,038

HOUSING BENEFIT DEBT RECOVERY

		Claimant £	Landlord £	TOTAL £
Debts to be Written Off	WOFF's	271	0	
	Recovery Suspended	4,431	359	
		4,702	359	5,062
Referred for Legal Recovery	Civil Proceedings	9,909		
	County Court Order Obtained	4,043		
	Attachment of Earnings	27,179		
		41,131	0	41,131
Payment Pending / Instalment Agreed	Invoice Agreements	136,013	201	
	Customer Agreements	68,947		
	Claim Pending	10,930		
	HB Recovery	15,334		
	DWP Recovery	95,780	680	
	Pending DWP Recovery	16,585		
	Pending BT Recovery		484	
	Debt Collection Agents	113,910		
	Pending Debt Collection Agents	8,998	1,917	
	Invoice Under HB Recovery	371,500	282	
		837,996	3,564	841,561
Other Actions / Reasons	Invoice Agreement Terminations	13,287		
	Instalment Payment Warnings	8,468	608	
	Appeals	2,924	839	
	First Reminders	5,694	351	
	Second Reminders	2,667	45	
	Bankruptcy	4,777		
	Compensation Order	19,241		
	Debt Relief Order	516		
	Inactive Debt	92,585	449	
	Invoice under HB Terminated	14,743	1,052	
		164,901	3,343	168,245
Total				1,055,998

* Actions relating to Housing Benefit Debt

Appeals - where an appeal has been made against the creation of an overpayment & recovery has been suspended pending the outcome of the appeal

Bankruptcy - where a debtor has been made bankrupt & recovery of the debt is suspended until the bankruptcy has been discharged

Claim Pending - where a claim for Housing Benefit (HB) has not yet been determined & there is prospect of recovery from ongoing HB

First Reminder - where no agreement has been made to repay the debt & reminder invoice is issued

Second Reminder - where no agreement has been made to repay the debt & a reminder letter is issued

Instalment Warning - where an instalment as per an agreement has not been made & a reminder letter is issued

Instalment Termination - where instalments as per an agreement have not been made & the agreement has been terminated & a termination letter issued